

STATE BOARD FOR CAREER AND TECHNICAL EDUCATION**Minutes of Meeting**

February 16, 2016

Members of the State Board for Career and Technical Education met at 11:00 a.m. CST, in the Peace Garden Room, State Capitol, Bismarck. The meeting was called to order by Dr. Brian Duchscherer, Chair. The following members were present:

Ms. Kirsten Baesler, Member
Ms. Cheri Giesen, Member
Dr. Mark Hagerott, Member
Dr. Jeff Lind, Member
Ms. Debby Marshall, Vice Chair
Ms. Sonia Meehl, Member
Ms. Val Moritz, Member
Mr. David Richter, Member

Wayne Kutzer, Mark Wagner, Brenda Schuler, and Gwen Ferderer were also present. Dr. Duchscherer welcomed board and audience members.

CONSIDERATION OF JANUARY 19, 2016 MINUTES – Ms. Giesen recommended two clarifications on page 2482, Board Discussion – Future Job Projections; replace “top” with “in demand” and “a few” with “targeted”. A motion was made by Dr. Hagerott and seconded by Ms. Moritz to approve the minutes of the January 19, 2016 meeting as recommended. The motion passed unanimously.

FINANCIAL REPORT – Ms. Gwen Ferderer reviewed the Appropriation Status Report and the Administrative Budget and Expenditures Report for month ended January, 2016, reporting that mid-year payments have been made and the total budget expended is in line with the time elapsed.

Following a brief discussion, a motion was made by Dr. Lind and seconded by Ms. Meehl to approve the financial reports as presented. The motion passed unanimously.

PROPOSED BUDGET CUTS – Mr. Kutzer reviewed the State Agency General Fund Reduction form that must be submitted to the Office of Management and Budget by February 17 and reviewed the proposed Budget Reduction Worksheet explaining the state general funds reduction of \$1,373,763 from the six budget line items: Salaries and Wages \$215,000; Operating Expenses \$268,590; Grants \$718,152; Postsecondary Grants \$28,652; Adult Farm Management \$21,869; and Workforce Training \$121,500.

Mr. Kutzer then explained the reduction in reimbursement rates and the net effect to schools: Comprehensive schools reimbursement rate will go from 27% to 26% (an effective 3.7% reduction); Area Centers will go from 40% to 39% (an effective 2.5% reduction); Career Development from 35% to 34% (an effective 2.8% reduction); and, Farm Management from 64% to 62% (an effective 3.1% reduction). The budget will be reevaluated at the end of the first year.

Discussion was held on not filling the STEM position. Ms. Baesler and Mr. Kutzer reported that there are current staff within the Department of Public Instruction, University System Office, and the Department of Career and Technical Education that will be working collaboratively on STEM activities.

Mr. Kutzer reviewed the updated FY 2016 General Fund Projections, reporting that it reflects proposed budget reductions and a balance of \$208,565. If the projections hold, it is anticipated that, for the second year of the biennium, schools may be reimbursed at the full rate. Dr. Lind stated that the proposal is well thought out and minimizes the impact to schools.

Discussion was held on new and expanded program requests. Mr. Kutzer reported that schools will be told to continue submitting new and expanded program requests but that funding may not be available. If funding becomes available at the end of the biennium, schools with approved programs could be retroactively funded.

Mr. Kutzer distributed the Governor's Revised Revenue Forecast and reviewed the gross production and oil extraction taxes distributed among the various funds, including the foundation aid stabilization fund.

Following a brief discussion, Dr. Duchscherer thanked Mr. Kutzer for providing a good, detailed plan. A motion was then made by Dr. Hagerott and seconded by Ms. Marshall to approve the budget reductions as presented and recommended by Mr. Kutzer. The roll call vote was as follows:

Ms. Meehl – aye
 Ms. Moritz – aye
 Dr. Lind – aye
 Ms. Marshall - aye
 Mr. Richter - aye
 Ms. Baesler – aye
 Dr. Hagerott - aye
 Ms. Giesen – aye
 Dr. Duchscherer – aye

The motion passed unanimously.

CAREER AND TECHNICAL STUDENT ORGANIZATION CONFERENCES –

Mr. Kutzer invited board members to attend the CTSO conferences that will be held in March, April, and June.

FUTURE MEETINGS – The March board meeting is scheduled for Monday, March 21, 2016.

The April board meeting is scheduled for Monday, April 18, 2016.

OTHER – Ms. Baesler reported that JP Morgan Chase is providing a \$75 million “New Skills for Youth” global initiative. Twenty-five states could receive up to \$100,000 each to work on the framework. Following that, a reapplication will occur where ten states could receive \$650,000 per year for three years. Staff from the Department of Public Instruction and

Career and Technical Education are currently writing a grant proposal. The deadline to apply is March 1. Ms. Baesler will keep the board informed on this initiative.

Mr. Kutzer reported that the North Dakota Association of Career and Technical Education is sponsoring a statewide legislative media tour on career and technical education the week of September 19-23, 2016. Additional information on the tour will be provided as it becomes available.

Dr. Hagerott stated that, if requested, he would provide a NexusND presentation to the board that includes information on unmanned systems and cybersecurity. Mr. Kutzer and Dr. Hagerott will work together to set this up.

The meeting adjourned at 11:57 a.m.

Respectfully submitted,

Dr. Brian Duchscherer
SBCTE Chairperson